

The issue of goodwill has been debated in many countries throughout the world. Despite numerous efforts and the existence of accounting standards and exposure drafts issued by various professional bodies internationally, there is yet to be a universally accepted accounting treatment for goodwill. The opinion on this subject differs and changes frequently. The dichotomy of having to preserve prescribed recognition criteria on the one hand and the need to report useful information on the other has led to the many controversial issues debated on the subject of goodwill. This study centres around the international accounting treatment of goodwill in the past, present and future. This study reviewed some of the issues that surrounded the accounting for goodwill where it was found that goodwill accounting had faced many problems. Besides problems, this project also looks into the prospect of the accounting for goodwill in the cyberspace era and emergence of the knowledge-based economy. This study confirms that controversy remains internationally with no solution in sight in the foreseeable future internationally